convene any formal Conference of Chief Ministers on the subject.

(b) Does not arise.

Export of soft drinks by Pepsi Foods

1054. SHRI CHATURANAN MISHRA: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether it is a fact that Pepsi Foods project is supposed to be agro-based and export oriented and that is why the soft drinks business was restricted to 25 per cent;

(b) if so, how will Government monitor this;

(c) whether Government will stop the soft drinks if it exceeds 25 per cent or if the exports of its production is less than 40 per cent of total sales; and

(d) whether Government would allow soft drinks to start before fruit processing and before fulfilling the export obligations?

THE MINISTER OF TEXTILES WITH ADDITIONAL CHARGE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SHARAD YADAV): (a) to (d) Various conditions including the condition that the production of soft drink concentrate ■would not exceed 25 per cent of the total turnover were imposed in the letter of intent granted to M/s. Punjab Agro Industries Corporation after consideration of all relevant issues and factors. The monitoring of these conditions will be done by the Government through various methods including obtaining periodic returns. Appropriate action will be taken in the event of any violation of the conditions of the letter of intent. The manufacture of various items and fulfilment of export obligation will be governed by the conditions laid down in the letter of intent.

Pharmaceutical companies earning Foreign Exchange on Import of Life saving drugs

1055. SHRI CHATURANAN MISHRA:
SHRI GURUDAS DAS GUPTA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Enforcement Directorate has tracked down several Pharmaceutical Companies which have been making huge profits by pricing imported life-saving drugs at over ten times their cost and getting as much foreign exchange too; and

(b) if so, what are the details of those companies and the action taken against them?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL, SHASTRI); (a) and (b) The Directorate of Enforcement searched the concerned premises of M/s. Meher Pharma India Ltd. and M/s. Vitro Fharma India Ltd. in January, 1990 and seized certain incriminating documents. The investigations, so far conducted in the case have revealed that the drugs imported by the firms were over-invoiced by about eight times the real price of these drugs. Shri S. N. Garg, the President of the firms could not be arrested as he moved the Bombay High Court and obtained anticipatory bail on medical grounds.

Enquiry into the awarding of contract for modernisation of Durgapur Steel Plant

1056. PROF. SOURENDRA BHATTACHARJEE. Will the Minister of STEEL AND' MINES be pleased to state:

(a) whether Government have ordered an enquiry into the facts and circumstances under which the contract for modernisation of Durgapur Steel Plant was given to a firm based in West Germany along with its Indian collaborator, M/s. Birla Technical Services at a muck higher coat;